



**HARVARD MANAGEMENT COMPANY
RELEASES CALENDAR YEAR 2017 COMPENSATION**

Boston, MA – Today, Harvard Management Company, Inc. made available its annual tax filing for fiscal year 2018, which was submitted to the federal government this morning. The Form 990 includes compensation figures for HMC's CEO and five highest paid employees for calendar year 2017.

Harvard Management Company is a wholly-owned subsidiary of Harvard University, responsible for investing the University's endowed funds and related financial assets, the income from which represents more than one-third of Harvard's annual operating budget. In fiscal year 2018, distributions to the University represented more than \$1.85 billion for financial aid, academic programs, faculty support, scientific research, and more.

"Thanks to the generosity of donors, Harvard is able to fund more than one-third of its operating budget with revenue from endowed funds," said Paul Finnegan, Treasurer of Harvard University. "To ensure this level of support is maintained for future generations, as the endowment is intended, HMC continues to seek risk-adjusted returns that balance long-term investment horizons with the immediate needs of the University."

The 2017 Form 990 includes individuals subject to the previous HMC compensation framework, as well as team members hired in 2017 whose contracts include guaranteed and discretionary compensation. The total compensation for recent hires includes payments to reimburse them for compensation earned at previous employers, but forfeited upon departure. The Form 990 also reports guaranteed compensation payable in future years. These payments will be reported again in future filings, when they are paid.

"The turnaround of HMC is a multi-year undertaking and the board of directors was impressed by the progress Narv made in his first year to position the endowment for future success," said Finnegan. "As a result of the milestones achieved in 2017 to address a number of issues—including platform spin-outs, forming a generalist team, investment processes, risk framework, and beginning to reposition HMC's portfolio—Narv received \$6.5 million, which includes both contractually guaranteed compensation, as well as a discretionary bonus."

As part of HMC's transition to a generalist model of investing, a new compensation framework was implemented in fiscal year 2018 that focuses on long-term returns and the endowment's overall performance, as opposed to individual asset class benchmarks. Most of the organization is currently operating under this framework and, at the conclusion of their contract terms, new hires will as well.

Harvard Management Company's Board of Directors, a group comprised of financial industry leaders and senior Harvard University administrators, approved the payments.

Calendar Year 2017 Compensation

<i>Name & Position</i>	<i>Compensation</i>
N.P. "Narv" Narvekar, Chief Executive Officer	\$9,251,786 ^a
Daniel Cummings, Managing Director, Real Estate	\$10,057,908
Michele Toscani, Managing Director, Fixed Income	\$5,462,879
Bob Ettl, Chief Operating Officer	\$5,254,276
Adam Goldstein, Managing Director, Generalist Team	\$5,238,443 ^a
Carlos Saravia, Managing Director, Generalist Team	\$5,219,912 ^a

^a Performance year compensation for Narv Narvekar was \$6.5M. Difference between performance year compensation and 2017 earnings are payments to reimburse compensation forfeited to previous employer upon departure.